

**ANNUAL REPORT  
OF THE  
REGULATORY FLEXIBILITY COMMITTEE**



**Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, Indiana 46204**

**October, 2007**

# INDIANA LEGISLATIVE COUNCIL

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# REGULATORY FLEXIBILITY COMMITTEE

## Membership Roster

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### Representatives

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### Staff

Sarah Burkman  
Attorney for the Committee

Adam Brown  
Fiscal Analyst for the Committee

Hannah Mongiat  
Fiscal Analyst for the Committee

## **I. STATUTORY DIRECTIVE**

Under IC 8-1-2.6-4, the Regulatory Flexibility Committee is required to monitor competition in the telecommunications industry. In addition to reviewing an annual report on the industry prepared by the Indiana Utility Regulatory Commission (IURC), the Committee is required to consider the following issues:

- (1) The effects of competition and technological change in the telecommunications industry and the impact of competition on universal service.
- (2) The status of modernization of the publicly available telecommunications infrastructure in Indiana and the incentives required to further enhance the infrastructure.
- (3) The effects of modernization on economic development and educational opportunities.
- (4) The current methods of regulating providers, at both the federal and state levels, and the effectiveness of the methods.
- (5) The economic and social effectiveness of current telecommunications service pricing.
- (6) All other telecommunications issues the committee considers appropriate.

Under IC 8-1-2.5-9, the Committee is also required to monitor changes and competition in the energy utility industry. In addition to reviewing an annual report on the industry prepared by the IURC, the Committee is required to consider the following issues:

- (1) The effects of competition or changes in the energy industry and the impact on residential rates.
- (2) The status of modernization of energy utility facilities in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects of modernization on economic development.
- (4) The traditional method of regulating energy utilities and the method's effectiveness.
- (5) The economic and social effectiveness of traditional energy utility service pricing.
- (6) The effects of legislation enacted by the United States Congress.
- (7) All other energy utility issues the committee considers appropriate.

In 2007, the Legislative Council directed the Committee to study the following topics:<sup>1</sup>

- (1) Options for funding, upgrading, and coordinating the state's Emergency Alert System (EAS) (SR 57).

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<sup>1</sup>LEGISLATIVE COUNCIL RESOLUTION 07-01 (June 6, 2007).

(2) Revision of the enhanced wireless 911 system to include Internet Protocol enabled services and other emerging technologies (HEA 1274 [vetoed] and SB 452).

## **II. SUMMARY OF WORK PROGRAM**

The Committee met three times during the 2007 interim session on August 14, September 12, and September 26.

The meeting on August 14, 2007, included a discussion of energy efficiency and renewable energy efforts in Indiana. The Committee received testimony from representatives of renewable energy businesses, electric utilities, and government agencies.

At the meeting on September 12, 2007, the Committee received testimony about options for funding, upgrading, and coordinating the state's EAS, as directed by the Legislative Council. The meeting also included a presentation of the annual industry reports by the IURC and the annual renewable resources report by the State Utility Forecasting Group (SUFG), followed by a discussion of the use of trackers in utility rate structures.

The meeting on September 26, 2007, consisted of a discussion of Indiana's wireless enhanced 911 system, as directed by the Legislative Council. The Committee considered options for funding both wireline and wireless enhanced 911 service. It also considered the role of Internet Protocol enabled services and other emerging technologies within the funding structure.

The Committee issued no formal recommendations concerning any of the topics it considered during the interim. However, Committee members agreed to individually investigate the possibility of financing upgrades to the state's EAS through potential savings that could be realized through the consolidation of public safety answering points (PSAPs) in certain areas of the state.

Meeting minutes for the Committee can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.